

Chilton's

JANUARY 12, 1983

IRON AGE

THE MAGAZINE FOR METALWORKING MANAGEMENT

CYRUS TANG:
M'CLOUTH'S
KNIGHT
IN SHINING
ARMOR



WHAT'S ON TAP
FOR BUSINESS
IN CONGRESS
THIS YEAR

KEEPING YOUR
PENSION SAFE
AND SOUND

HI-TECH REPORT: THE PROMISE OF METAL MATRIX COMPOSITES

COVER STORY

35 METAL MATRIX COMPOSITES POSE A BIG CHALLENGE

The idea of reinforcing metal with a fiber of another material is hard to appreciate, but the resultant composite has amazing properties. And, it has uses, here and now.

FEATURES

20 CAN CYRUS TANG TURN McLOUTH STEEL INTO A WINNER?

A purchase commitment from General Motors and a new contract with the United Steelworkers could pave the way.

22 ALUMINUM'S INVENTORY HANGOVER IN 1983

An absence of selling and lackluster production reflects the past year. Will the consumer start to spend now?

24 NEW CONGRESS HAS PLENTY OF LEFTOVER LEGISLATION

Lawmakers failed to digest some tough issues like the Clean Air Act and should see several servings on the economy.

29 SERPs SWEETEN MANAGEMENT PENSIONS

Both management incentive and mobility are encouraged by new Supplemental Executive Retirement Plans (SERPs).

40 COMPUTERS TELL OIL DRILLERS WHERE TO SINK NEW WELLS

With rising costs of drilling, the industry is turning to computers to cut risks in the search for new energy sources.

NEWSFRONTS

7 EDITORIAL

Trade policy—are we in for a shock?

11 METALWORKING NEWSFRONT

Bethlehem acts to ensure long-term profitability by thinning or eliminating facilities and letting some 10,000 workers go.

17 BUSINESS FINANCEFRONT

Capital spending by the nation's largest manufacturers won't improve much this year in real terms.

28 YOU AND YOUR JOB

Ben Franklin cautioned against wasting time, but the advice has been ignored by many company employees!

33 TECHFRONT

Scientists have taken a long look at Peek, a matrix material that looks promising for use in graphite composites.

45 PRODUCTS NEWSFRONT

Uddeholm's martensitic strip, Stainless 731, offers superior properties necessary for air and gas compressor use.

46 MATERIALS NEWSFRONT

New pattern seems to be evolving in steel labor bargaining. The smaller producers seem to be leading the way.

52 BUSINESS FORECAST

At long last, housing shows signs of coming back to life. Home builders call for a 30 pct pickup in starts this year.



DEPARTMENTS

8 EDITORIAL STAFF

8 LETTERS

42 BUSINESS STAFF

42 AD INDEX

43 MANAGEMENT SERVICE CARD

47 P&P DATA 12/27

49 FERROUS SCRAP 12/27

50 CLEARING HOUSE

NEXT ISSUE



Foremen: New labor/management communicators

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ALUMINUM WRESTLES WITH ITS INVENTORY

Production hit bottom in November and is likely to remain there until the inventory situation improves and business picks up.

BY ROBERT REGAN

The aluminum industry awoke in the new year suffering through a traditional hangover without having had the privilege of a binge the year before.

There was no production spree (in the U.S., at least) but 1982 still left a formidable inventory hangover to wrestle with as 1983 progresses. There was no selling spree last year, even with aluminum prices down in the basement. The start of the new year finds consumers not exactly bolting to buy.

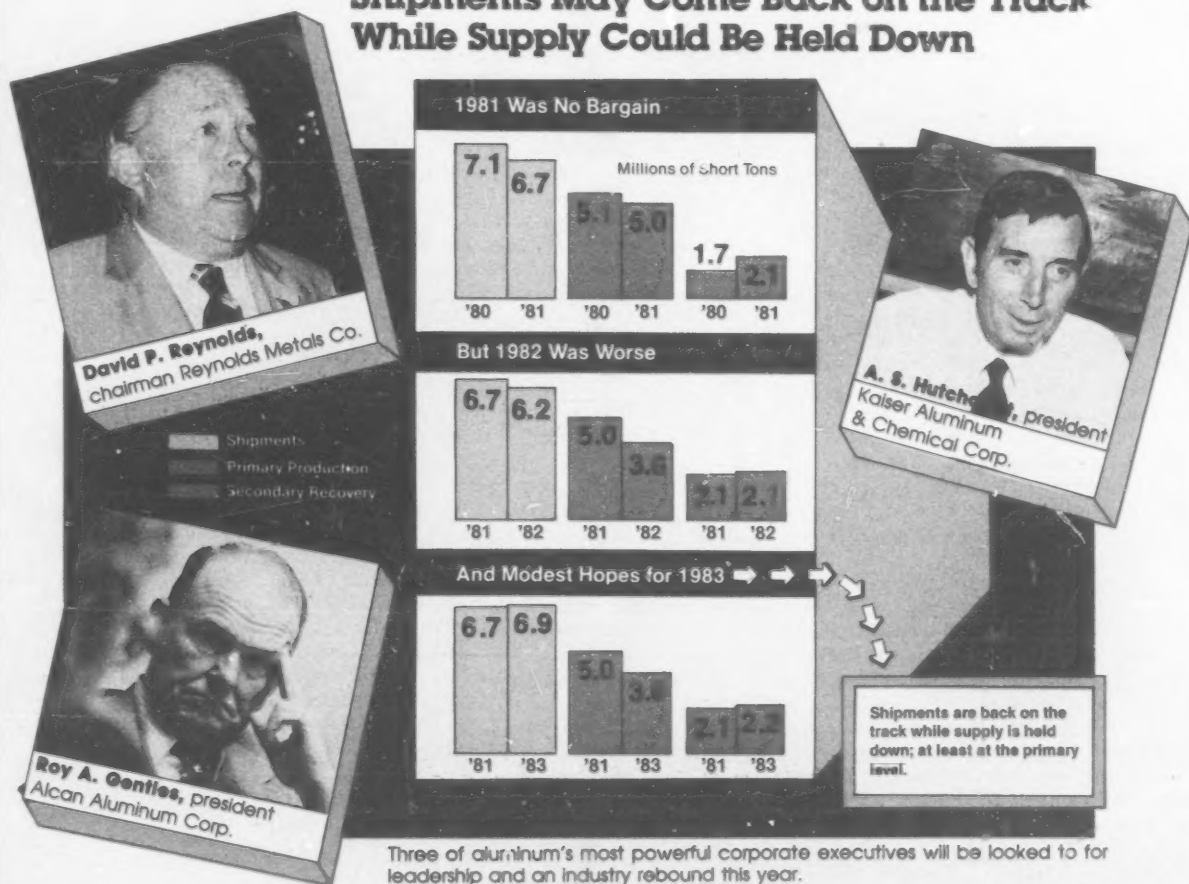
And there was a lot of bottom line red ink (before special items) in 1982 that threatens to spill over into the new year, unless the producers can show their customers signs of lessening pressure to sell this year's aluminum at last year's prices.

The industry's New Year's resolutions seem to center on keeping tight clamps on production—the producers entered 1983 running a shade under 60 pct of capacity—and holding out for better prices than were accepted last year when there was a lot of emphasis on maintaining cash flow in the face of bleak business prospects.

Top aluminum executives see things getting better toward or after midyear, but remain uncertain as to the timing and degree of recovery. Projections run anywhere from an 8 to 12 pct gain in shipments on a disastrous 1982. At the top side of this range, shipments this year would be up a few points from 1981. The industry then would be back on the track, although still a bit short of the peaks hit in 1979 and 1980.

The steep downtrend in U.S. primary aluminum production came to a halt during November, but the companies seem pretty determined to stay on the bottom until the inventory situation

Shipments May Come Back on the Track While Supply Could Be Held Down



improves and business starts picking up. Some of the producers have been picking up supplementary ingot supplies on the open market; others have been drawing in metal from their overseas units. In either case, the main reason is free market ingot prices well below domestic production costs.

The industry's inventory position started edging downward in August and September, but shipments began edging downward again in September and the incoming order rate took a nosedive in October. Industry sources said the order rate picked up again in November, but nobody was predicting any miracles in the inventory department through the balance of the year.

David P. Reynolds, chairman of Reynolds Metals Co., says, "The top priority for the U.S. aluminum industry in 1983 will be inventory reductions." He said the industry's stocks are projected to drop about 350,000 tons during 1983 under a combination of "continued low operating rates and increased shipments."

James A. Vais, Kaiser Aluminum & Chemical Corp.'s economic and marketing research director, calculates a larger 500,000-ton drop in inventory to about 2.6 million tons this year. His estimate is based on anticipation of an 11.9 pct jump in shipments, static primary production, a slight gain in secondary recovery and somewhat higher ingot and mill product imports.

Not so sanguine is Roy A. Gentles, president of Alcan Aluminum Corp., Cleveland-based subsidiary of Alcan Aluminium Ltd., of Montreal, who sees aluminum shipments up only 8 pct this year. Mr. Gentles also sees secondary recovery up nearly 19 pct this year (Mr. Vais has projected only a 2.6 pct increase) which, combined with a slow drawdown of industry stocks, means "a great displacement of primary demand."

Kaiser Aluminum President Stephen Hutchcraft, Jr. called the growth of recycling "both a problem—as it has been in this downturn—and an opportunity—as it will be in the future."

Mr. Hutchcraft projects a smaller primary aluminum base in the U.S. over the next several years, with some capacity being taken down permanently because of prohibitive energy costs. At last year's annual meeting of the Aluminum Association, of which he is the new chairman, Mr. Hutchcraft said the U.S. will become a larger importer of primary aluminum in the future, with the rate of increase modified according to how fast domestic secondary recovery grows.

He said the U.S. aluminum industry must learn to accept the commodity

status of aluminum ingot and direct its efforts toward building competitiveness in the mill product sector. Drawing a parallel with the experience of the Japanese aluminum industry in recent years, namely closing down cost-prohibitive primary smelters and concentrating on fabricating, Mr. Hutchcraft said, "We are going to be a much more competitive industry in the future than we have been in the past. I know that's hard to imagine, but it's true."

"It's true because those master competitors—the Japanese—may be poised to take us on in the markets we think we know best—flat-rolled products."

The aluminum industry's biggest product is beer and soft drink can stock and it is building up into something of a hotly contested arena in 1983. The ingredients include nettlesome competi-

'It is time
to stop coasting
and sharpen
marketing skills.'

tion from the Japanese, growing domestic capacity from new entrants like Anaconda Aluminum, Martin Marietta Aluminum and Noranda Aluminum—and possibly a contracting market in the near term, at least.

Industry shipments of can stock in 1981 were a record 1.363 million short tons. Industry sources had projected a 2.7 pct gain to roughly 1.4 million tons in 1982. But late in the year, the estimates were pulled back to about 1.35 million tons, in which case it would mark the first setback since 1975.

The pared 1982 projection jibes with expectations that can stock imports from Japan went up about 50,000 tons for an increase of 100 pct. It also suggests that the overall domestic can stock market didn't grow at all. Meanwhile, earlier expectations that 1983 shipments would hit 1.5 million tons were shaved back to about 1.425 million tons. Meanwhile, projected gains for the next three years, when more can stock capacity will be coming onstream, also have been tucked in a little.

Clearly, the domestic aluminum companies have a lot riding on efforts to put aluminum into other corners of the overall container market, including Continental Can Co.'s resealable soft drink containers, which are being market tested this year, other closable aluminum containers and Reynolds Metals' pressurized containers.

Meanwhile, says Kaiser's Mr. Hutchcraft, the aluminum companies, which "haven't really done much project development or marketing in the past five

years," must get back on the track. "Maybe success in the can market spoiled us," he says. "Growth... came on so strongly and absorbed so much of the idle flat rolled capacity that excess metal volume was eaten up and there was little apparent need to develop new markets."

It's time, Mr. Hutchcraft adds, to reach for the "next" aluminum product that was left waiting in the wings because it wasn't needed as long as the can market grew. Calling attention to the shift in the Aluminum Association's thrust from issues-oriented programs to market promotion under a "make it with aluminum" banner, he said it is time to stop coasting and sharpen marketing skills.

While Alcan Aluminum's Mr. Gentles was less optimistic about industry shipments in general this year, he was a bit more optimistic in the can sector. Industry shipments of can stock were up about 5.5 pct in 1982, he said, adding that 1983 should see another 3 pct gain. He noted, however, that "new U.S. producers, as well as foreign producers, are beginning to aggressively compete in the market, so can stock is becoming a very crowded—as well as competitive—market."

Mr. Reynolds noted that aluminum has captured 98 pct of the beer can market and 78 pct of the soft drink can market and now is pushing into non-carbonated beverages, foods and some non-food items to keep the ball rolling.

Mr. Reynolds said there are signs that the aluminum industry has reached the bottom of the recession, but "unlike previous business cycles, recovery from 1980-82 recession will be somewhat slower."

He said idle capacity, combined with intense cost-price pressures, eroded or eliminated producer margins on many products during 1982 and "such conditions may persist well into 1983, even with the general economy improving." Getting out of the squeeze, Mr. Reynolds said, first requires the working down of the industry's excessively large inventory, currently more than a six-month supply, to more normal three-to-four month levels.

With a little help from the consuming public, and little restraint from overseas aluminum producers, 1983 could provide the U.S. companies with some days of Auld Lang Syne, worth drinking a cup of kindness to next New Year's Eve. □

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SERPs RIDE TO RESCUE BY SWEETENING MANAGEMENT PENSIONS

Both management incentive and mobility are encouraged by new Supplemental Executive Retirement Plans (SERPs).

BY GEORGE A. WEIMER

First came ERISA, the Employee Retirement Income Security Act of 1974.

Following close behind ERISA, which was partly designed to discriminate against the highly paid, came something called SERPs. That stands for Supplemental Executive Retirement Plans which are designed by companies to restore heftiness to top management pensions in "unqualified" ways. That is, SERPs are not tax-deductible. They are, in effect, promises by boards of directors to make up what ERISA took away from an executive's possible retirement income.

Now comes TEFRA, the big tax reform law passed last August and whose full title is the Tax Equity and Fiscal Responsibility Act of 1982.

While the title doesn't say anything about pensions, this new collection of rules actually supersedes ERISA in terms of limits on qualified pension plans. It also means SERPs have become more important than ever as an inducement to attract top management people to another company, and to keep people where they are.

The use of SERPs is increasing among major industrial companies, according to Towers, Perrin, Forster & Crosby (TPF&C), New York.

Thirty-nine SERPs were reported in the proxy statements of the top 100 U.S. industrial companies, up from 32 such plans reported in 1981.

Designed primarily to provide key executives with pension benefits in addition to those afforded by their companies' qualified pension plans, "SERPs are versatile plans that serve a variety of objectives," says Donald E. Sullivan, TPF&C vice president. "By accelerating the rate at which a pension accrues, a SERP can help induce a mid-career executive to change jobs."

For executives with longer service,



Top 100 Industrial Companies Earnings Base For Pension Benefits

Final Pay Averaging Period	Number of Companies	Total
Final 10 Years	1	1
High 5 in last 15 Years	3	
High 5 in last 10 Years	33	
High 5 Years	30	
Final 5 Years	8	54
High 3 in last 10 Years	15	
High 3 in last 5 Years	2	
High 3 Years	5	
Final 3 Years	7	23
High 4 in last 10 Years	1	1
"Greater of" formula*	5	5
		84
Earnings base not shown	6	6
No benefit table shown	9	9
No pension plan	1	1
		100

*Includes two companies that use the greater of final 5 or high 3 in last 10 years, one company that uses the greater of final 3 or high 3 in last 5 years, one company that uses greater of final 3 or high 3 in last 10 years, and one company that uses greater of high 3 or high 5 in last 10 years.

From: Top 100 Executive Benefit Study, TPF&C (Towers, Perrin, Forster & Crosby)

SERPs can make early retirement more attractive and thus open up additional career paths for younger employees, Mr. Sullivan adds.

Mr. Sullivan predicts an increase in the adoption of SERPs during 1983. "Percent tax legislation has lowered the ceiling on pension benefits from qualified plans, to \$90,000 from \$136,000, as a result, new approaches in providing executive pensions are being sought," Mr. Sullivan says.

SERPs generally provide lifetime benefits that are calculated on the executive's final pay.

The benefits, however, are usually offset by income from qualified retirement plans or Social Security.

Here are some examples of supplemental executive retirement plans in metalworking companies:

—Armco Inc.'s system gives executive management members who retire on or after age 62 without at least 5 years of general management service 50 pct of their annual earnings as defined by the qualified plan.

—Boeing Co. provides for a total annual pension for executives who participate in the company's Incentive Compensation Plan calculated under the qualified plan formula. Benefits under this SERP are forfeited if, after retirement, the employee "engages in competitive activity."

—Deere & Co. offers its officers a supplemental pension that equals the average of the highest five annual supplemental bonuses.

—At Dow Chemical Co., executives get a total annual pension equal to 1.4 pct of compensation times years of service up to an amount that would equal the ERISA limit plus 1.0 pct of compensation over that amount for each year of service.

These are typical SERPs and they are clearly designed to get around the 1974 law. They are perfectly legal, but they are not protected. ERISA plans are protected—in terms of bankruptcy, for example. And, according to some legal experts, there is some small possibility that suits will be filed in coming years due to "the changing ability of the corporate entity to pay what it promised."

SERPs are not funded like ERISA plans. They are not "qualified" by IRS as tax deductible and no one knows yet what a retired executive's recourse would be if his former company folded along with his SERP.

The main reason, besides circumventing ERISA, for SERPs has been to attract top management talent. "They're designed to restore the original intent of a pension plan for officers and they require only board action," ex-

plains A. Lee Westervelt, director, compensation and benefits, Eaton Corp.

"Eaton has a plan which provides supplemental retirement income to certain officers who do not have the opportunity to accumulate significant amounts of accumulated service with Eaton.

"The amount of the supplement is based generally upon the officer's average final compensation and is reduced by his other earned retirement income including amounts receivable pursuant to the Eaton retirement plans. Nine of the 22 officers are participating in this plan," explains Mr. Westervelt.

Maximum Qualified Annual Pension*

1975	\$ 75,000
1976	80,475
1977	84,525
1978	90,150
1979	98,100
1980	110,625
1981	124,500
1982	136,425
1983	90,000
1984	90,000
1985	90,000
1986 and after	90,000 + Increase to adjust for inflation

*The Employee Retirement Income Security Act of 1974 and the Tax Equity and Fiscal Responsibility Act of 1982 placed limits on the amount of annual retirement income a company can offer under a qualified (tax deductible) plan.

A spokesman for another company agrees that SERPs were used as inducements. "But right now we're not trying to attract anyone," he says. "Now we're trying to get people here to take early retirement."

Have managers actually lost retirement income by moving a few times?

"I don't know of anybody who has had that happen," says J. Richard Wible, director, technical services, American Society for Personnel Administration (ASPA) in Berea, Ohio. There might be some question about a company's ability to live up to its SERPs, he adds.

"But we're talking about a fairly small elite group of people. Top level people generally aren't job hoppers," Mr. Wible says.

Most experts also don't expect the Congress to take any steps that might alter SERPs. However, as Mr. Wible explains, "the IRS might try more collection efforts on SERPs since they are really deferred compensation."

Nevertheless, he does not consider that likely since the total amount is not large.

TEFRA also introduced the idea of "top-heavy" retirement plans and im-

poses stricter qualification rules for plans under which more than 60 pct of the cumulative accrued benefits are for key employees or in instances where the accounts of key employees total more than 60 pct of the total of all employees' accounts.

Key employees can include those persons who are officers of the company, the 10 employees owning the largest shares of the company, those who own 5 pct or more of the company, or 1 pct owners who have an annual compensation of more than \$130,000, ASPA says.

Top-heavy plans will not be qualified under TEFRA unless they meet several requirements. One is that they provides either 100 pct vesting to all employees after three years of service or graded vesting, beginning with 20 pct after two years of service.

Another requirement is that the plan must provide an employer contribution of at least 3 pct of compensation in each top-heavy year to each participant who is not a key employee.

A further change is in the area of age discrimination. Beginning Jan. 1, the Federal Age Discrimination in Employment Act requires employers with more than 20 employees to offer employees aged 65 to 69, the same health care benefits available to all other employees.

TEFRA also revised the Social Security Act to make Medicare the secondary payer to employer plans.

One upshot of these new pension laws has been to prod employers to seek more employee contributions and responsibility for their own retirement.

"A clear trend in the retirement area is to get employees to contribute more to their own pensions through IRAs and the like," says Eaton's Mr. Westervelt.

However, because of the laws like TEFRA, employers may come under more pressure to reduce employee contributions to medical plans "at a time when there is increased employer interest in greater cost sharing by employees," says ASPA.

So, while the Congress has been concentrating on equity in retirement, the business community has been concentrating on the more basic issue of costs. Top managers seem to have little to worry about because of SERPs and their own planning, but pension and benefit officers are increasingly concerned about the pages and pages of new rules about everybody else. □

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MATERIALS NEWSFRONT

Important Notice About Iron Age Scrap Prices

Beginning with the Jan. 21 issue Iron Age will publish only one set of scrap prices per issue—those with the effective date as close to the issue date as printing schedules permit. Prices for other weeks will continue to be available on a weekly basis through our Metal Price Phone Hotline or through our Weekly Price Newsletter. (For details on these services see ad on p. 48.)

Lake Superior Ore Prices

51.50% Fe Natural delivered lower Lake ports. Rail transportation, handling and unloading may be charged to the account of the buyer. Coarse ore 80¢ premium.

Pellets (per iron unit natural).....	gross-ton 80.50-86.9*
Old range, non-bessemer	gross-ton \$32.78
Mesabi, regular-unscreened	gross-ton \$32.53
Mesabi, non-bessemer	gross-ton \$32.25-32.53**

*80.50¢—Pickands Mather as of 1/27/81.

**86.9¢—U. S. Steel as of 3/15/82. Cleveland-Cliffs as of 2/26/82, Oglebay Norton as of 3/25/82, and Hanna Mining as of 2/26/82.

Nonferrous Prices

(Effective December 27, 1982)

Prices obtained in trade based on representative tonnages per gross ton delivered to consumer unless otherwise stated.

Primary Metal Prices

(cents per lb.)	price	last price	date of change
Aluminum	76.00	76.00-80.00	1/4/82
Copper (C)	71.00	70.00-71.00	12/22/82
Lead	20.50-23.00	19.50-23.00	12/22/82
Magnesium			
Ingot	134.00	125.00	6/1/81
Nickel	329.00	350.00	11/25/81
Titanium			
Sponge	555.00-585.00	555.00	4/29/82
Zinc	36.00-40.00	38.00-40.00	12/8/82

ALUMINUM: 99.5%. COPPER (C) = cathode. LEAD: common grade. MAGNESIUM: 99.8% pig. Velasco, Tex. NICKEL: electro., Port Colborne, Canada. ZINC: high grade.

Antimony, American Laredo, Texas.	\$2.00
Beryllium-aluminum 5% Be, per lb. contained Be	\$201.00
Beryllium-copper, per lb. cont. Be	\$121.00
Beryllium 97% powder 200	\$166.00
Bismuth, ton lots	\$1.25-\$1.40
Cadmium, under one ton	\$1.05-\$1.15
Calcium, ton lots, crown	\$3.05
Chromium, 99.8%	\$3.75
Cobalt, 99%, cathode	\$12.50
Gold per troy oz.	\$457.00
Indium, dollars per troy oz.	\$2.60-\$2.85
Iridium, dollars per troy oz.	\$600
Magnesium sticks, 10,000 lbs.	\$1.91
Mercury, per 76-lb. f.o.b. N.Y.	\$365-\$385
Molybdenum, lb. tech. moly oxides, 20 lb. MO can	\$5.85

Steel Production, Composite Prices

(Effective December 27, 1982)

U.S. Steel Production	Last Week	Two Weeks Ago	To Date 1982	To Date 1981
Net tons, in thousands	880	1,057	71,674	117,914
Capability Utilization Rate	29.8	35.8	47.3	77.7

Composite Prices

	This Week	Week Ago	Month Ago	Year Ago
Finished Steel Base* (¢/lb.—eff. 4/4/82)	25.297	25.297	25.297	25.195
Pig Iron** (Net ton = 2000 lbs.)	\$213.00	\$213.00	\$213.00	\$213.00
Scrap No. 1 hvy.*** (Gross ton = 2240 lbs.)	\$55.83	\$52.17	\$51.17	\$75.50
No. 2 bundles	\$39.50	\$38.50	\$38.50	\$54.17

Scrap Comparison (Gross Ton)

No. 1 steel, Pittsburgh	\$57.50	\$52.50	\$52.50	\$85.50
No. 1 steel, Philadelphia	54.50	54.50	54.50	66.50
No. 1 steel, Chicago.....	55.50	49.50	46.50	74.50
No. 1 bundles, Detroit..	41.50	41.50	41.50	74.50
Low Phos., Youngstown	51.50	51.50	51.50	85.50
No. 1 mach'y cast., Pgh	61.50	61.50	61.50	93.50
No. 1 mach'y cast., Phila	98.50	98.50	98.50	111.50
No. 1 mach'y cast., Chi	104.50	104.50	103.50	120.50

*Finished Steel Composite

Weighted index of steel bars, shapes, plates, wire, rails, black pipe, hot and cold rolled sheets and strips.

**Pig Iron Composite

Based on average prices for basic and foundry pig iron at representative producing points within the U.S.

***Steel Scrap Composite

Average of No. 1 hvy. melting steel scrap and No. 2 bundles delivered to consumers at Pittsburgh, Philadelphia and Chicago.

Nickel oxide sinter at U.S. points of entry

Palladium, per troy oz.	\$3.12
Platinum, per troy oz.	\$475
Rhodium, per troy oz.	\$600.00
Silver ingots, per troy oz.	\$10.98
Vanadium	\$4.94
Zirconium sponge.....	\$12.00-\$17.00

(Per lb. unless otherwise noted)

Straits Tin Price

(U.S. cents per lb. EX-SMELTER, based on daily market in Penang in Malaysian dollars per kilo.)

Dec. 20—561.16	Dec. 23—564.33
Dec. 21—561.69	Dec. 24—Holiday
Dec. 22—564.46	

Scrap Prices

Brass Mill Scrap

(Cents per lb; over 20,000 lbs. add 1¢ per lb)

	Solids	Turning
Copper	67½	57½
Yellow brass	58	52½
Red brass	61½	54½
Comm. bronze	63	56
Mang. bronze	57½	55½
Free cutting rod ends	44	43

Custom Smelters Scrap

(Cents per lb., carload lots, del. refinery)

No. 1 copper wire	57
No. 2 copper wire	51
Light copper	41

Ingot Makers Scrap

(Cents per lb., carload lots, del. refinery)

No. 1 copper wire	53
No. 2 copper wire	47
Light copper	37
No. 1 composition	50
No. 1 comp. turnings	47
Hvy. yellow brass solids	33
Hvy. yellow brass turnings	26
Radiators	41

Aluminum

New mixed clips	24	—25
Old sheet	23	—24
Old cast	23	—24
Clean dry borings	23	—24

Dealers' Scrap

(Dealers' buying price f.o.b. New York in cents per pound)

Aluminum

Segregated clippings	22	—23
Mixed L.C. clips	20	—21
Old sheets and cast	14	—15
Borings and turnings	10	—11
Duraluminum clippings	20	—21

Copper and Brass

No. 1 copper wire	46	—47
No. 2 copper wire	39	—40
Light copper	34	—35
Radiators	32	—33
No. 1 composition	41	—42
No. 1 composition turn'gs	39	—40
Cocks and faucets	28	—29
Clean heavy yellow brass	26	—27
Brass Pipe	28	—29
New soft brass clippings	34	—35

Lead

Heavy soft lead	9	—10
Whole batteries	4	—5
Type metal	14	—15
Electrotype	18	—19

Nickel

Nickel solids	85	—90
Nickel rod ends	85	—90
Nickel sheets, clips	65	—90
Nickel turnings	40	—45

Zinc

New zinc clippings	14	—15
Old diecast zinc	7	—8

EFFECTIVE DECEMBER 27, 1982

MATERIALS NEWSFRONT

(Effective December 27, 1982) Prices obtained in trade based on representative tonnages per gross ton delivered to consumer unless otherwise stated. Prices are the opinions of Iron Age editors and correspondents, based on contacts with dealers, brokers, generators and users in the industry on the effective date listed above.

Ferrous Scrap Prices

Pittsburgh

No. 1 hvy. melting	\$ 57.00 to \$ 58.00
No. 2 hvy. melting	50.00 to 51.00
No. 1 dealer bundles	68.00 to 69.00
No. 1 factory bundles (auto)	68.00 to 69.00
No. 2 bundles	37.00 to 38.00
No. 1 busheling	64.00 to 65.00
Machine shop turn.	6.00 to 7.00
Shoveling turnings	20.00 to 21.00
Cast iron borings	18.00 to 19.00
Low phos. punchings plate	70.00 to 71.00
Heavy turnings	50.00 to 51.00
No. 1 RR hvy. melting	71.00 to 72.00
Rails 2 ft. and under	81.00 to 82.00
Scrap rails, random lgh.	78.00 to 79.00
RR specialties	75.00 to 76.00
No. 1 machinery cast	61.00 to 62.00
Cupola cast	54.00 to 55.00
Heavy breakable cast	30.00 to 31.00
Stainless	
18-8 bundles and solids	410.00 to 420.00
18-8 turnings	310.00 to 320.00

Chicago

No. 1 hvy. melting	\$ 55.00 to \$ 56.00
No. 2 hvy. melting	47.00 to 48.00
No. 1 dealer bundles	64.00 to 65.00
No. 1 factory bundles (auto)	65.00 to 67.00
No. 2 dealer bundles	41.00 to 42.00
No. 1 busheling	64.00 to 65.00
Shredder scrap	64.00 to 65.00
Machine shop turn.	14.00 to 15.00
Mixed bor. and turn.	15.00 to 16.00
Shoveling turnings	19.00 to 20.00
Cast iron borings	33.00 to 34.00
Low phos. forge crop	76.00 to 77.00
Low phos. punchings plate	
1/4 in. and heavier	80.00 to 81.00
Low phos. 2 ft. and under	76.00 to 77.00
No. 1 RR hvy. melting	53.00 to 54.00
Scrap rails, random lgh.	49.00 to 50.00
Re-rolling rails	87.00 to 88.00
Rails, 2 ft. and under	78.00 to 79.00
RR couplers and knuckles	70.00 to 71.00
RR car axles	99.00 to 100.00
No. 1 machinery cast	104.00 to 105.00
Cupola cast	90.00 to 91.00
Stove plate	76.00 to 78.00
Steel car wheels	57.00 to 58.00
Stainless	
18-8 bundles and solids	360.00 to 380.00
18-8 turnings	280.00 to 290.00
430 bundles and solids	90.00 to 95.00
430 turnings	65.00 to 70.00

Philadelphia

No. 1 hvy. melting	\$ 53.00 to \$ 56.00
No. 2 hvy. melting	48.00 to 51.00
No. 1 dealer bundles	67.00 to 70.00
No. 2 dealer bundles	38.00 to 41.00
No. 1 busheling	67.00 to 70.00
Shredder scrap	65.00 to 68.00
Machine shop turn.	18.00 to 21.00
Mixed bor. and turn.	18.00 to 21.00
Shoveling turnings	31.00 to 34.00
Clean cast chemical borings	40.00 to 43.00
Low phos. 5 ft. and under	64.00 to 67.00
Low phos. 2 ft. punchings	85.00 to 88.00
Electric furnace bundles	79.00 to 82.00
RR specialties	74.00 to 77.00
Rails, 2 ft. and under	89.00 to 92.00
Cupola cast	56.00 to 59.00
Heavy breakable cast	53.00 to 56.00
No. 1 machinery cast	97.00 to 100.00

Detroit

Broker buying prices per gross ton on cars:	
No. 1 hvy. melting	\$ 36.00 to \$ 37.00
No. 2 hvy. melting	34.00 to 35.00
No. 1 dealer bundles	41.00 to 42.00
No. 2 bundles	18.00 to 19.00
No. 1 busheling	40.00 to 41.00
Drop forge flashings	21.00 to 22.00
Machine shop turn.	14.00 to 15.00
Mixed borings and turn.	7.00 to 8.00
Shoveling turnings	14.00 to 15.00
Cast iron borings	5.00 to 6.00
Heavy breakable cast	24.00 to 25.00
Mixed cupola cast	40.00 to 41.00
Automobile cast	58.00 to 59.00
Stainless	
18-8 bundles and solids	320.00 to 325.00
18-8 turnings	220.00 to 225.00
430 bundles and solids	70.00 to 80.00

Youngstown

No. 1 hvy. melting	\$ 44.00 to \$ 45.00
No. 2 hvy. melting	28.00 to 30.00
No. 1 dealer bundles	50.00 to 51.00
No. 2 dealer bundles	29.00 to 30.00
Machine shop turn.	3.00 to 3.00
Shoveling turnings	7.00 to 8.00
Low phos. plate	51.00 to 52.00
Electric furnace bundles	51.00 to 52.00
Galvanized bundles	41.00 to 42.00

Cleveland

No. 1 hvy. melting	\$ 46.00 to \$ 47.00
No. 2 hvy. melting	24.00 to 25.00
No. 1 dealer bundles	48.00 to 49.00
No. 1 factory bundles	56.00 to 57.00
No. 2 bundles	22.00 to 23.00
No. 1 busheling	49.00 to 50.00
Machine shop turn.	2.00 to 3.00
Mixed bor. and turn.	2.00 to 3.00
Shoveling turnings	5.00 to 6.00
Cast iron borings	5.00 to 6.00
Cut structural & plates,	
2 ft. and under	68.00 to 69.00
Low phos. punchings plate	68.00 to 69.00
Drop forge flashings	33.00 to 34.00
Foundry steel, 2 ft. & under	59.00 to 60.00
No. 1 RR hvy. melting	83.00 to 84.00
Rails, 2 ft. and under	82.00 to 83.00
Rails, 18 in. and under	83.00 to 84.00
Steel axle turnings	69.00 to 70.00
Railroad cast	82.00 to 83.00
No. 1 machinery cast	79.00 to 80.00
Cupola cast	62.00 to 63.00
Stove plate	47.00 to 48.00
Stainless	
18-8 bundles	275.00 to 285.00
18-8 turnings	225.00 to 235.00
430 bundles	75.00 to 85.00

Buffalo

No. 1 hvy. melting	\$ 25.00 to \$ 26.00
No. 2 hvy. melting	15.00 to 16.00
No. 1 busheling	30.00 to 31.00
No. 1 dealer bundles	28.00 to 29.00
No. 2 bundles	12.00 to 13.00
Machine shop turn.	1.50 to 2.00
Mixed bor. and turn.	8.00 to 9.00
Shoveling turnings	10.00 to 11.00
Cast iron borings	8.00 to 9.00
Low phos. plate	48.00 to 49.00
Structural and plate,	
2 ft. and under	46.00 to 47.00
Rails, 2 ft. and under	42.00 to 43.00
Scrap rails, random lgh.	22.00 to 23.00
No. 1 machinery cast	63.00 to 64.00
No. 1 cupola cast	42.00 to 43.00

St. Louis

No. 1 hvy. melting	\$ 47.00 to \$ 48.00
No. 2 hvy. melting	39.00 to 40.00
Foundry steel, 2 ft.	39.00 to 40.00
No. 1 dealer bundles	47.00 to 48.00
No. 2 bundles	36.00 to 37.00
Machine shop turn.	12.00 to 13.00
Shoveling turnings	18.00 to 19.00
Cast iron borings	30.00 to 31.00
No. 1 RR hvy. melting	47.00 to 48.00
Rails, random length	49.00 to 50.00
Rails, 18 in. and under	64.00 to 65.00
RR specialties	80.00 to 81.00
Cupola cast	70.00 to 71.00
Heavy breakable cast	48.00 to 49.00
Stove plate	70.00 to 71.00
Cast iron car wheels	49.00 to 50.00
Re-rolling rails	84.00 to 85.00
Unstripped motor blocks	55.00 to 56.00

Birmingham

No. 1 heavy melting	\$ 54.00 to \$ 55.00
No. 2 heavy melting	52.00 to 53.00
No. 1 dealer bundles	54.00 to 55.00
No. 2 bundles	40.00 to 41.00
No. 1 busheling	54.00 to 55.00
Shredder scrap	69.00 to 70.00
Machine shop turn.	18.00 to 19.00
Shoveling turnings	25.00 to 26.00
Cast iron borings	26.00 to 27.00
Electric furnace bundles	53.00 to 54.00
Elec. furnace, 3 ft. & under	50.00 to 51.00
Structural and plate, 2 ft.	70.00 to 71.00
Structural and plate, 4 ft.	66.00 to 67.00
No. 1 RR hvy. melting	64.00 to 65.00
Scrap rails, random lgh.	52.00 to 53.00
Rails, 18 in. and under	73.00 to 74.00
Angles and splice bars	65.00 to 66.00
No. 1 cupola cast	74.00 to 75.00
Unstripped motor blocks	52.00 to 53.00

Cincinnati

Brokers buying prices per gross ton on cars:	
No. 1 hvy. melting	\$ 27.00 to \$ 28.00
No. 2 hvy. melting	26.00 to 27.00
No. 1 dealer bundles	28.00 to 29.00
No. 2 bundles	14.00 to 15.00
Machine shop turn.	1.00 to 2.00
Shoveling turnings	3.00 to 4.00
Cast iron borings	4.00 to 5.00
Low phos. 18 in. and under	52.00 to 53.00
Rails, random length	34.00 to 35.00
Rails, 2 ft. and under	59.00 to 60.00
No. 1 cupola cast	44.00 to 45.00
Heavy breakable cast	20.00 to 21.00
Drop broken cast	59.00 to 60.00

New York

Brokers buying prices per gross ton on cars:	
No. 1 hvy. melting	\$ 26.00 to \$ 27.00
No. 2 hvy. melting	22.00 to 24.00
No. 2 dealer bundles	22.00 to 23.00
Mixed bor. and turn.	7.00 to 8.00
Machine shop turn.	4.00 to 5.00
Shoveling turnings	10.00 to 12.00
Clean cast, chem. borings	34.00 to 35.00
No. 1 machinery cast	89.00 to 90.00
Mixed yard cast	38.00 to 39.00
Heavy breakable cast	14.00 to 15.00
Stainless	
18-8 prepared solids	360.00 to 385.00
18-8 turnings	255.00 to 275.00
430 prepared solids	70.00 to 80.00
410 solids	60.00 to 70.00

Boston

Brokers buying prices per gross ton on cars:	
No. 1 hvy. melting	\$ 28.00 to \$ 30.00
No. 2 hvy. melting	20.00 to 22.00
No. 1 dealer bundles	28.00 to 30.00
No. 2 bundles	18.00 to 19.00
No. 1 busheling	28.00 to 30.00
Shredder scrap	38.00 to 40.00
Machine shop turn.	1.00 to 2.00
Shoveling turnings	1.00 to 2.00
No. 1 machinery cast	100.00 to 105.00
Mixed cupola cast	23.00 to 25.00
Heavy breakable cast	4.00 to 6.00

San Francisco

No. 1 hvy. melting	\$ 39.00 to \$ 41.00
No. 2 hvy. melting	31.00 to 33.00
No. 1 dealer bundles	26.00 to 28.00
No. 2 dealer bundles	11.00 to 13.00
Machine shop turn.	4.00 to 6.00
Cast iron borings	4.00 to 6.00
No. 1 cupola cast	63.00 to 65.00

Los Angeles

No. 1 hvy. melting	\$ 38.00 to \$ 40.00
No. 2 hvy. melting	27.00 to 29.00
No. 1 dealer bundles	25.00 to 27.00
No. 2 dealer bundles	8.00 to 10.00
Machine shop turn.	4.00 to 6.00
Shoveling turnings	8.00 to 10.00
Cast iron borings	4.00 to 6.00
Elec. furnace, 1 ft. and under	
(foundry)	84.00 to 86.00
No. 1 cupola cast	86.00 to 88.00

Seattle

No. 1 hvy. melting	\$ 53.00 to \$ 55.00
No. 2 hvy. melting	42.00 to 44.00
No. 2 bundles	32.00 to 34.00
No. 1 cupola cast	86.00 to 90.00
Mixed yard cast	78.00 to 80.00

Hamilton, Ont.

Brokers buying price per net ton on cars:	
No. 1 heavy melting	\$ 33.00
No. 2 heavy melting cut 2 ft. and under	30.00
No. 1 dealer bundles	40.00
No. 2 bundles	5.00
Mixed steel scrap	17.00
Bush. new fact. prep'd	38.00
Bush. new fact. unprep'd	30.00
Machine shop turn.	18.00
Short steel turn.	21.00
Mixed bor. and turn.	10.00
Cast scrap	30.00

Houston

Brokers buying prices per gross ton on cars:	
No. 1 hvy. melting	\$ 50.00 to \$ 51.00
No. 2 hvy. melting	38.00 to 39.00
No. 2 bundles	28.00 to 30.00
Machine shop turn.	8.00 to 9.00
Crushed turnings	17.00 to 19.00
Shredder scrap	50.00 to 51.00
Cut structural plate 2 ft. and under	72.00 to 74.00
Unstripped motor blocks	55.00 to 57.00
Cupola cast	64.00 to 66.00